



**CONNECTICUT
CLEAN ENERGY FUND**

**Statement of the Connecticut Clean Energy Fund Regarding Raised Senate Bill 1104
*An Act Concerning Net-Metering***

**Energy & Technology Committee
March 12, 2009**

The Connecticut Clean Energy Fund ("CCEF") is writing to express its support for Raised Senate Bill 1104 *AAC Net-Metering* which would amend the current net metering statute, Connecticut General Statutes Section 16-243h, to allow net metering credits earned from wind or solar electric generation to be transferred under certain circumstances and to be carried over indefinitely. This proposed change to the law would extend the benefits of net metering and distributed generation beyond customer-generators only to potentially all of Connecticut's ratepayers.

The Bill would allow transfer of credits "within the same load zone of the regional independent system operator." ISO-New England is the regional independent system operator for Connecticut, and ISO-NE's territory covers all of New England. So, under the current language of the Bill, credits could be transferred out of Connecticut to any other state in New England. The CCEF believes that net metering credits generated in Connecticut should first benefit Connecticut ratepayers, and then benefit the region generally. For this reason, the CCEF asks the Committee to consider changing the current "load zone" language to something like "within the same electric distribution service territory" as the customer-generator, language that comes from Raised House Bill 6635 *AAC Solar Power* (2009).

Additionally, the CCEF asks the Committee to consider adding to the Bill all sources of Connecticut Class I renewable energy in addition to wind and solar. For instance, given the importance to Connecticut of its fuel cell industry, the CCEF feels that adding fuel cells to the Bill might benefit this industry by making the use of fuel cell distributed generation more attractive to building owners and developers.

On a related note, the CCEF supports the expansion of the current submetering statute, Connecticut General Statutes Section 16-19ff, to include the use of submetering for Class 1 renewable energy distributed systems located in Connecticut buildings. As you know, the CCEF is charged by the legislature to promote the use of renewable energy generating technologies throughout the state for the benefit of Connecticut's ratepayers. The CCEF promotes renewable distributed generation technologies such as fuel cells and solar because they produce clean energy, reduce emissions, reduce peak

generation, hedge rising electricity prices, and reduce the load on the electric distribution grid. Expanding submetering to include Class I renewable energy distributed generation systems, such as fuel cells, in multi-unit residential or mixed-use buildings will make the benefits of submetering available to owners and tenants of those buildings. This is an option not currently available under the existing submetering law.

One of the primary benefits of submetering is that each customer unit served by the Class I renewable energy distributed generation system can have a smart meter that will indicate its real-time electric consumption. This will enable the households and businesses to reduce their electric usage and their electric bills. Without meter usage information, a customer has no indicators to assist them in conservation and efficiency. To be most effective, renewables and efficiency must go hand in hand. This approach can be achieved in multi-unit residential and mixed-use buildings by expanding submetering to include these facilities.

In addition to the advantages that expanding renewable distributed generation will provide to ratepayers, the electric grid, and the environment, there are broad economic advantages as well. Given the state's current fiscal condition, it is particularly expedient to encourage the use of fuel cells, as both UTC Power and Fuel Cell Energy are based in Connecticut. Encouraging—and in the case of submetering, not outright preventing—the deployment of fuel cells and solar will help to create well-paying jobs within the state and bolster tax revenue.